

MEETING MINUTES

April 17, 2008

GOVERNOR'S COMMITTEE FOR THE PURCHASE OF COMMODITIES AND SERVICES FROM THE HANDICAPPED

The meeting was called to order by Chairperson Penney Hall at 10:00 a.m., April 17, 2008 at the F. Ray Power Building, located at the West Virginia Division of Rehabilitation Services' office in Institute, West Virginia.

ATTENDANCE:

Committee: Penney Hall (Chairperson); Pete Cuffaro; John Liller; Jan Smith; Lou Ann Summers for Brenda Bates; Everett Sullivan; Ron Price, Executive Secretary; Carol Jarrett, Recording Secretary.

WVARF Staff: Glenn McEndree; Chris Miller; Mike Turner; Ashley Hackney

Guests present were: Elizabeth Sampson, Clay County Services Unlimited;
Emma Sue Smith, Green Acres Center;
Annette Francis, Developmental Center and Workshop;
Phyllis Cantrell, Gateway Industries;
Jack Holcomb, Precision Services, Inc.;
Joyce Birley, Goodwill K.V.;
Kimberly Lewis, Goodwill Huntington.

Ms. Hall welcomed all the guests.

MOTION #1

Ms. Smith moved to approve the minutes as presented. Mr. Liller seconded. Motion passed.

COMMITTEE CHAIR REPORT:

Ms. Hall reported the committee had approved one contract since its last meeting. The contract was with the Bramwell Visitors Center for a FMP of \$2,326.32. Two CRPs expressed interest in the contract. The Committee awarded the contract to Mercer County Sheltered Workshop because of their closer location to the site and capability of doing the job. The other CRP was outside of the county.

She said she had spoken with Burl Anderson, Director of the Hancock County Sheltered Workshop, about meeting in Weirton. He said the best time for him would be the June 19 meeting. She said she would make hotel arrangements and find a place for the Committee to meet.

Ms. Hall said last month she had asked WVARF to have at least half of the contracts ready to be approved this month. However, Purchasing has asked them to hold off on renewals due to the CNA bid being reviewed. If WVARF would not get the CNA contract they would rather do a new contract with the new CNA.

Ms. Smith asked if WVARF is not chosen, how much work is that going to cause. Since WVARF04 needs to be changed plus with the minimum wage going up in July. Ms. Hall said Purchasing was concerned a new CNA may want to implement a new costing structure and did not want to tie them to the current one. She said Purchasing is well aware that minimum wage is going up in July. If a new CNA and/or a contract are not implemented by then a change order will be done to bring up these wages.

Ms. Smith said the CRP's are already a year behind in increasing wages because nothing was done last year when the minimum wage went up. Ms. Hall said a request for an increase was not made by either the CRP's or WVARF last year. The rules state the CRP's and the CNA have to bring price increases to the Committee. If that does not happen the Committee cannot just increase prices.

EXECUTIVE SECRETARY REPORT:

\$1,537.20 – Annual Allocation
1,175.87 - Total Expenses
\$ 361.33 – Balance Remaining FY'08

Ms. Hall reported \$3,000 is being transferred into the account.

EXECUTIVE DIRECTOR REPORT:

Mr. McEndree reported there was a meeting between Mildred Bateman Hospital's CFO, Behavioral Health, Hancock County Sheltered Workshop staff and WVARF on April 1st to discuss the laundry contract. There was a report submitted to a legislator that indicated the state was paying \$295,233 more per year under the statewide contract than under the individual contract. After reviewing the data, it became apparent that the state is not paying significantly more and may even be saving money under the statewide contract. One reason for the higher costs shown by Behavioral Health is they counted in the start-up costs. Also, they did not account for some of their costs such as utilities, replacement of a boiler, etc. Behavioral Health said they need to get all of the hospitals together to review utilization of laundry services. One thing they were pleased with is they are now meeting all JCAHO requirements for laundry which they were not doing before. Mr. McEndree said his initial numbers show a savings to the state of \$75,000 but he is not sure this is 100% correct because of the unknown conditions stated before. He said Behavioral Health is in agreement with WVARF's numbers. They are to submit a corrected report to Delegate Morgan's office, however it does not appear they have done so yet. Mr. McEndree said he is going to follow-up with them on this.

Mr. McEndree also reported the legislature is performing an interim study entitled "Study the impact on private businesses of state contracts awarded to the West Virginia Association of Rehabilitation Facilities." What they are actually doing is a study on the State Use Law. He said he is going to call Delegate Morgan's attorney to find out what information they have and what the purpose of the study is.

He reported the Burnsville rest areas have been closed. The Morgantown Welcome Center is the next rest area scheduled to be torn down and replaced. No time has been set for that yet. The original schedule for replacing rest areas has been moved up about one year. Ms. Smith asked if the other rest areas on I-79 could get some additional help because of increased usage. The Committee felt this could be justified and suggested those rest areas look at using some of the workers who are laid off from Precision Services.

Mr. McEndree reported he along with Job Squad staff met with someone from Workforce West Virginia at Job Squad's pre-sort operations in Charleston to discuss issues with mail. The meeting was positive. He said the customer is satisfied with the steps taken to address their concern.

He reported there has been a settlement in the lawsuit filed over the attack at a rest area on I-81. WVARF did not have to pay anything in the settlement.

CONTRACT PRESENTATIONS:

Ms. Hackney reported there were changes to two contracts:

Low Impact Monitors – a change of six cents, from \$35.91 to \$35.97. Percentage difference of 17%.

Stream Access – a difference of \$24,799 Annual Price \$144,799.00 and Adjusted Price of \$120,000.00. Percentage difference of -20.67%. As they looked at the contract they found there was duplication of sites. These were eliminated. There were also extra hours built in for such things as flood cleanup. If these are needed they will be done on an as needed basis on a separate contract.

MOTION #2

Mr. Sullivan moved to approve the two changes in these two contracts. Ms. Smith seconded. Motion passed.

CONTRACT COMPLAINTS:

DMV – Elkins. Mr. Turner reported they have a replacement janitor and the service level has increased. The customer is satisfied with the service they are now receiving.

Mr. Turner reported the following complaints were received from March 20th thru April 17th 2008:

- 1) A complaint was reported at the Retirement Board in Kanawha City regarding the scheduled hours worked of a part-time janitor, the hours were changed to satisfy the customer's needs.
- 2) A complaint was reported at DEP building in Kanawha City regarding the finish on the flooring at this facility. A team was assembled including DEP, the flooring manufacturer, Goodwill, and WVARF staff to resolve the issue. A final report will be given in May.
- 3) Multiple complaints regarding bottled water delivery, supply and quality from PEIA, Retirement Board and DOH.

Ms. Lovely, Director of the Division of Rehabilitation Services reported DRS sent a recommendation for the CNA to Purchasing on April 11th. Ms. Lovely apologized if she snubbed anyone during this time but integrity had to be maintained. Mr. Price said the recommendation goes to the buyer and then to the best value committee for evaluation. The next step will be the cost opening. The Committee thanked Ms. Lovely for sharing this information with them.

Next, the Committee turned its attention to bottled water. Mr. McEndree explained a number of complaints had been received about the delivery of bottled water to state agencies in the Charleston area. Mr. McEndree said he had met with Paul Hall from Prestera about the problems. Mr. Hall indicated there had been some staffing changes which caused the problems. Mr. Hall was invited to the meeting by Mr. McEndree; however he was not in attendance. Mr. McEndree said he had granted PEIA a 30 day waiver to use another vendor. He also gave the same waiver to the Retirement Board, however they replied they need a year waiver in order to get another vendor to come in. The Committee thought a year was too long and he should not grant a waiver for longer than a month.

Ms. E. Smith, Green Acres, addressed the problems they had faced in the first three months of the year with production and the lack of 5-gallon bottles. She said for a while Prestera was not bringing back the empty bottles until they had a truck load. That issue has been resolved. They have also just received a shipment of new bottles. The Committee directed Ms. Hall to send a letter to Bob Hansen, Executive Director Prestera Center, expressing concern that no one from his organization was at the meeting and requesting their presence at the May meeting.

OLD BUSINESS:

CQI

Mr. McEndree reported there was nothing to report on CQI.

Ms. Hall reported the Standardization Committee had met and was meeting again next week.

The Fair Market Price Rules Committee met and made several revisions. She said she had not heard back from the other Committee members yet on the revisions she had sent. The rules will be brought before the Committee at the May meeting.

FINANCIAL REPORT:

Mr. Miller reported the year-to-date sales were \$7,609,320 which is on target for a year end amount of \$11 million. Laundry accounts for about \$90,000 a month. The over 60 days account receivables was \$35,940 or 2.31% of total receivables.

NEW BUSINESS:

Ms. Hackney presented the third quarter ratio report. Overall the percentage of workers with disabilities labor hours was at 82.3%. However, seven CRP's were under the 75% ratio. Ms. Hall said the committee needs to see a written plan of correction for these seven CRP's at the May meeting. She reminded WVARF staff the plan of correction is really supposed to be presented at the same time as the ratio report.

Mr. Cuffaro asked if anything had been done in response to his report of observing rest area personnel on I-77 crossing the median on foot. Mr. McEndree said he had not done anything on that but would contact the CRP in Parkersburg. Mr. Cuffaro reminded him that this was the second time he had observed this action and the dangerousness of crossing the median.

Mr. Sullivan thanked the Committee for the get well card.

Public Comments:

Ms. Sampson posed two questions to the Committee. One questioned regard the standardization of equipment and the other regarded the contract award if WVARF is not the CNA.

MOTION #3

Mr. Sullivan moved to adjourn.